


**Government of the District of Columbia
Office of the Chief Financial Officer**



Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

TO: The Honorable Vincent C. Gray
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer 

DATE: NOV 14 2008

SUBJECT: Fiscal Impact Statement: "6425 14th Street, N.W., Disposition Approval Resolution of 2008"

REFERENCE: Draft Resolution – No Bill Number

Conclusion

Funds are sufficient in the FY 2009 through FY 2012 budget and financial plan to implement the proposed legislation. The proposed disposition of a District parcel would result in a reduction in District assets of approximately \$3 million. However, the value of assets is not included in the budget and financial plan.

Background

The proposed legislation would authorize the Mayor to dispose of District-owned property at 6425 14th Street, N.W. The property would be sold to real estate developer Blue Skye Development, LLC (Developer) for the purpose of building affordable housing units at the site.

The terms of the disposition include a purchase price of at least \$270,000 and a stipulation that a majority of residential units built be affordable. The property was recently appraised at a value of \$3 million in January 2008.

The sale of the property will result in a loss of approximately \$3 million in assets to the District. However, the value of District assets is not a component of the budget and financial plan.

Financial Plan Impact

Funds are sufficient in the FY 2009 through FY 2012 budget and financial plan to implement the proposed legislation because the value of assets is not included in the budget and financial plan. The legislation will have a positive fiscal impact of at least \$270,000, based on the purchase price to be paid by the Developer.